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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SEC  
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Section

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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III  
FACING PAGE

FEB 28 2013  
Washington DC  
400

|                 |
|-----------------|
| SEC FILE NUMBER |
| 8-66257         |

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/12 AND ENDING 12/31/12  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

INTELLIGENT EDGE SECURITIES, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

420 LEXINGTON AVENUE, SUITE 400  
(No. and Street)

NEW YORK NY 10170  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

THOMAS JOHN BOCZAR (212) 535-3757  
(Area Code - Telephone No.)

|                   |
|-------------------|
| OFFICIAL USE ONLY |
| FIRM ID. NO.      |

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

VB&T Certified Public Accountants, PLLC  
(Name - if individual, state last, first, middle name)

250 West 57<sup>TH</sup> Street, Suite 1632 New York New York 10107  
(Address) (City) (State) (Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.


|                       |
|-----------------------|
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

DD  
3/9/13

## OATH OR AFFIRMATION

I, Thomas John Boczar, CEO, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Intelligent Edge Securities, LLC, (Company), as of December 31, 2012, are true and correct. I further swear (or affirm) that neither the Company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

  
**MATTHEW S MOLLOY**  
 Notary Public, State of New York  
 No. 01MO6236872  
 Qualified in Nassau County  
 Commission Expires 03/07/2015

  
 Thomas John Boczar, CEO

Sworn and subscribed to before me this 11<sup>th</sup> day of FEBRUARY, 20 13.

**This report contains (check all applicable boxes):**

|     |   | Page   |
|-----|---|--------|
|     | Report of Independent Registered Public Accounting Firm   | 1      |
| (x) | (a) Facing page.  |        |
| (x) | (b) Balance Sheet.  | 2      |
| (x) | (c) Statement of Operations.  | 3      |
| (x) | (d) Statement of Cash Flows.  | 4      |
| (x) | (e) Statement of Changes in Member's Equity.  | 5      |
| ( ) | (f) Statement of Changes in Subordinated Liabilities (not applicable).  |        |
| (x) | Notes to Financial Statements.  | 6 - 7  |
| (x) | (g) Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.   | 8      |
| ( ) | (h) Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.  |        |
| ( ) | (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).                                    |        |
| ( ) | (j) A Reconciliation, including Appropriate Explanations, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Rule 15c3-3 (not required). |        |
| ( ) | (k) A Reconciliation Between the Audited and Unaudited Consolidated Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).  |        |
| (x) | (l) An Oath or Affirmation.   |        |
| ( ) | (m) A Copy of the SIPC Supplemental Report (not required).  |        |
| (x) | (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control).   | 9 - 10 |



Certified Public Accountants, PLLC

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Members of  
Intelligent Edge Securities LLC

**Report on the Financial Statements**

We have audited the accompanying balance sheet of Intelligent Edge Securities LLC, (the Company) as of December 31, 2012, and the related statements of income, changes in member's equity, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Intelligent Edge Securities LLC as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained on page 8 is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information on page 8 has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information on page 8 is fairly stated in all material respects in relation to the financial statements as a whole.

*VB&T CERTIFIED PUBLIC ACCOUNTANTS, PLLC*

New York, NY  
January 21, 2013

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Member of the American Institute of Certified Public Accountants**

**INTELLIGENT EDGE SECURITIES, LLC**  
**BALANCE SHEET**  
**DECEMBER 31, 2012**

**ASSETS**

|                  |                         |
|------------------|-------------------------|
| Cash             | \$ 12,512               |
| Prepaid expenses | <u>4,295</u>            |
| Total Assets     | <u><u>\$ 16,807</u></u> |

**LIABILITIES AND MEMBER'S EQUITY**

|                                       |                         |
|---------------------------------------|-------------------------|
| Accounts payable and accrued expenses | <u>\$ 2,132</u>         |
| Total Liabilities                     | <u>2,132</u>            |
| Contingencies                         | -                       |
| Member's equity                       | <u>14,675</u>           |
| Total Liabilities and Member's Equity | <u><u>\$ 16,807</u></u> |

See Independent Accountants' Report and Accompanying Notes

**INTELLIGENT EDGE SECURITIES, LLC**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

|                          |                           |
|--------------------------|---------------------------|
| Revenues:                | \$ -                      |
| Costs and Expenses:      |                           |
| Professional fee         | 16,967                    |
| Consulting fee           | 12,200                    |
| Rent                     | 10,296                    |
| Regulatory fees          | 5,590                     |
| Office                   | <u>5,689</u>              |
| Total Costs and Expenses | <u>50,742</u>             |
| Net loss                 | <u><u>\$ (50,742)</u></u> |

See Independent Accountants' Report and Accompanying Notes

**INTELLIGENT EDGE SECURITIES, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

|   |                         |
|---|-------------------------|
| Cash Flows From Operating Activities:   |                         |
| Net loss  | \$ (50,742)             |
| Adjustment to reconcile net income to<br>net cash (used) by operating activities: |                         |
| (Increase) in prepaid expenses  | (2,541)                 |
| (Decrease) in accounts payable and accrued expenses                               | <u>(2,024)</u>          |
| Net Cash (Used) By Operating Activities   | <u>(55,307)</u>         |
| Cash Flows From Investing Activities:   | <u>-</u>                |
| Net Cash Provided by Investing Activities   | -                       |
| Cash Flows From Financing Activities:   |                         |
| Member's contributions, net   | <u>1,825</u>            |
| Net Cash Provided By Financing Activities:  | 1,825                   |
| Net Decrease In Cash  | (53,482)                |
| Cash at beginning of the year   | <u>65,994</u>           |
| Cash at end of the year   | <u><u>\$ 12,512</u></u> |

See Independent Accountants' Report and Accompanying Notes

**INTELLIGENT EDGE SECURITIES, LLC**  
**STATEMENT OF CHANGES IN MEMBER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

|                             | Total<br>Member's Equity |
|-----------------------------|--------------------------|
| Balance, January 1, 2012    | \$ 63,592                |
| Member's contributions, net | 1,825                    |
| Net loss                    | <u>(50,742)</u>          |
| Balance, December 31, 2012  | <u><u>\$ 14,675</u></u>  |

See Independent Accountants' Report and Accompanying Notes

**INTELLIGENT EDGE SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**1. ORGANIZATION AND NATURE OF BUSINESS**

Intelligent Edge Securities, LLC the ("Company") is a registered broker-dealer in securities transactions under the provisions of the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority Inc. (FINRA) and the Securities Investor Protection Corporation. The Company is wholly owned by Intelligent Edge Advisors, LLC, a privately owned New York limited liability company.

The Company acts as a broker-dealer and is exempt from Securities and Exchange Commission Rule 15c3-3 under paragraph k(2)(i). The Company is not required to have any arrangement with a clearing broker.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**ACCRUAL BASIS OF ACCOUNTING**

The Company's financial statements are prepared using the accrual method of accounting. The Company's year end is December 31.

**INCOME TAXES**

The Company is a limited liability Company taxed as a partnership and the accompanying financial statements do not include any provision for federal or state income taxes. Each member of the Company is individually responsible for reporting his share of the Company's income or loss. The Company at present is entirely owned by Intelligent Edge Advisors, LLC. Therefore, Intelligent Edge Advisors, LLC is responsible for any taxes resulting from its ownership of the Company.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.



**INTELLIGENT EDGE SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**3. NET CAPITAL**

The Company is a member of the FINRA and subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000, and requires that the ratio of aggregate indebtedness to net capital, both as defined, not exceed 15 to 1. At December 31, 2012 the Company had net capital of \$10,380, which was \$5,380 in excess of the FINRA minimum capital requirement.

**4. GOING CONCERN**

The Company had no revenue for the year ending December 31, 2012 and few assets. The Company's survival depends on the capital contributions of the Company's solo member, Intelligent Edge Advisors, LLC, has provided the necessary funding for the Company to remain in business, and has stated that it plans to continue doing so. There can be no assurance, however, that it will be able to provide capital in sufficient amounts to fund the Company until such time as it is able to sustain itself. These reasons raise some concerns about its ability to continue as a going concern especially in light of current economic conditions.

**INTELLIGENT EDGE SECURITIES, LLC**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE**  
**SECURITIES AND EXCHANGE COMMISSION**  
**DECEMBER 31, 2012**

|  |                         |
|--|-------------------------|
| NET CAPITAL:   |                         |
| Total member's equity  | \$ 14,675               |
| Deductions and/or charges:   |                         |
| Non-allowable assets:  |                         |
| Prepaid expenses   | <u>(4,295)</u>          |
| Net capital before haircuts on securities positions                        | <u>10,380</u>           |
| Haircuts on securities positions   | <u>-</u>                |
| Undue concentration  | <u>-</u>                |
| Net Capital  | <u><u>\$ 10,380</u></u> |
| AGGREGATE INDEBTEDNESS:  |                         |
| Items included in the statement of financial condition:                    |                         |
| Accounts payable and accrued expenses                                      | <u><u>\$ 2,132</u></u>  |
| COMPUTATION OF BASIC NET CAPITAL REQUIREMENT:                              |                         |
| Minimum net capital required (6-2/3% of aggregate indebtedness)            | <u>\$ 142</u>           |
| Minimum net capital required   | <u><u>\$ 5,000</u></u>  |
| Excess net capital   | <u><u>\$ 5,380</u></u>  |
| Net capital less greater of 10% of total AI or 120% of minimum net capital | <u><u>4,380</u></u>     |
| Percentage of aggregate indebtedness to net capital is                     | <u>21%</u>              |

The above computation agrees with the December 31, 2012 computation of net capital filed electronically by the company on FOCUS Form X-17A-5 Part IIA.



Certified Public Accountants, PLLC

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON  
INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5**

To the Members of  
Intelligent Edge Securities LLC

In planning and performing our audit of the financial statements of Intelligent Edge Securities LLC (the Company), as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to

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achieve the SEC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined previously.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2012, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the Financial Industry Regulatory Authority, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

*VB&T CERTIFIED PUBLIC ACCOUNTANTS, PLLC*

New York, NY  
January 21, 2013

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